

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
April 8, 2009
MAG Office Building - Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Charlie McClendon, Avondale, Chair	Christopher Brady, Mesa
Mark Pentz, Chandler, Vice Chair	Jim Bacon, Paradise Valley
George Hoffman, Apache Junction	Carl Swenson, Peoria
Jeanine Guy, Buckeye	Frank Fairbanks, Phoenix
Jon Pearson, Carefree	John Kross, Queen Creek
* Usama Abujbarah, Cave Creek	* Bryan Meyers, Salt River Pima-Maricopa
Spencer Isom for B.J. Cornwall, El Mirage	Indian Community
Alfonso Rodriguez for Phil Dorchester,	John Little, Scottsdale
Fort McDowell Yavapai Nation	Michael Celaya for Randy Oliver, Surprise
Rick Davis, Fountain Hills	Charlie Meyer, Tempe
+ Rick Buss, Gila Bend	Chris Hagen for Reyes Medrano, Tolleson
David White, Gila River Indian Community	Gary Edwards, Wickenburg
George Pettit, Gilbert	Lloyce Robinson, Youngtown
Jessica Blazina for Ed Beasley, Glendale	John Halikowski, ADOT
Romina Korkes for John Fischbach, Goodyear	Kenny Harris for David Smith, Maricopa
* RoseMary Arellano, Guadalupe	County
Darryl Crossman, Litchfield Park	David Boggs, Valley Metro/RPTA

* Those members neither present nor represented by proxy.

Participated by telephone conference call.

+ Participated by videoconference call.

1. Call to Order

The meeting was called to order by Chair Charlie McClendon at 12:02 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair McClendon noted that Rick Buss was participating in the meeting via videoconference.

Chair McClendon presented Jon Pearson with a Resolution of Appreciation for his years of service in the MAG region. He noted that Mr. Pearson, who has been a member of the MAG Management Committee since 1987, was a member of the MAG 2005 Census Survey Oversight

Committee and was instrumental in providing a retreat atmosphere for the first meeting of the Transportation Policy Committee. While he was town manager of Carefree, the Town's population increased from 1,580 in 1987 to 3,948 in 2008, a 150 percent increase. Chair McClendon thanked Mr. Pearson and wished him the best as he moved into a new phase of his life.

Mr. Pearson expressed his appreciation to the Management Committee, to MAG staff and Dennis Smith for all of the support they have given to the Town of Carefree.

Chair McClendon noted that the revised agenda and materials for agenda items #5G, #7, #8, and #9, were at each place. Chair McClendon announced that parking garage validation and transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting.

3. Call to the Audience

Chair McClendon stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair McClendon noted that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit and there is a timer to help the public with their presentations.

Chair McClendon recognized public comment from Dianne Barker, who said that it was about the time when Mr. Pearson became a member of the MAG Management Committee that she became aware of MAG. She said that her comments about MTBE in a previous Management Committee meeting were corrected, but she was still concerned. Ms. Barker stated that she went to the Department of Weights and Measures and was provided with a lot of information about gasoline, but it would take a chemist to understand all of it. She expressed that she felt MAG did a good job discussing transportation planning, and expressed her concern about the beltway around Sky Harbor. Ms. Barker stated that MAG needs to look at the Sky Train holistically, and perhaps reliever airports would be a better option. She said that this is an opportunity for discussion. Ms. Barker expressed thanks for the transit ticket and commented that bus and light rail connect well, but she did not see any engineers or politicians aboard. Chair McClendon thanked Ms. Barker for her comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, reported to the Management Committee on items of interest to the MAG region. He said that he had reported to the Committee last month that MAG had been awarded the United We Ride National Leadership Award for the 2007 MAG Human Services Coordination Transportation Plan and the 2008 Update. Mr. Smith noted that the MAG Plan, which was developed in partnership with the City of Phoenix as the Designated Transit Recipient, was ranked the best in the nation. Mr. Smith stated that Secretary of Transportation Ray LaHood presented MAG with a plaque, which was passed around the table.

Mr. Smith announced that the Public Relations Society of America named the “Don’t Trash Arizona!” anti-litter campaign as a finalist for the 2009 Silver Anvil Award. He noted the participation of MAG, ADOT and the public relations firm of Riester in the program. Mr. Smith reported that the winners will be announced on June 4, 2009, in New York City. Mr. Smith acknowledged the efforts of Kelly Taft, MAG Communications Manager, and her division on the MAG program.

Mr. Smith stated that the Continuum of Care appreciation luncheon will be held on April 20, 2009, at the Arizona Biltmore. He noted that the Stardust Foundation sponsors the luncheon annually, and there is no cost to MAG. Mr. Smith stated that there is still space available to attend the luncheon and noted that this is an opportunity for member agency staff to hear nationally renowned speaker Robert Van Arlen at no cost. A video of Mr. Van Arlen was played. Chair McClendon thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Chair McClendon stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, and #5I were on the Consent Agenda. He reviewed the public comment guidelines for the Consent Agenda. He noted that no public comment cards had been received.

Chair McClendon asked if any member of the Committee had questions or a request to have a presentation on any Consent Agenda item. No requests were made.

Mr. Little moved to recommend approval of Consent Agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, and #5I. Mr. Fairbanks seconded, and the motion carried unanimously.

5A. Approval of March 11, 2009, Meeting Minutes

The Management Committee, by consent, approved the March 11, 2009, meeting minutes.

5B. Update to the Arterial Life Cycle Program Policies and Procedures

The Management Committee, by consent, recommended approval of the proposed changes to the previously approved December 19, 2007, Arterial Life Cycle Program (ALCP) Policies and Procedures. The ALCP is a key part of Proposition 400 and represents more than \$1.7 billion of regional investment over the next 20 years. The ALCP Policies and Procedures provide guidance to MAG and to MAG member agencies to ensure that the program is implemented in an efficient and effective manner. Revisions were required to the ALCP Policies and Procedures that were approved by the MAG Regional Council on December 19, 2007. The proposed revisions include refinements to policies on the Regional Area Road Fund (RARF) closeout process, the addition of substitute projects, and the amendment or termination of signed and effective Project Agreements. Other minor technical refinements were also included. MAG staff and the ALCP Working Group met on November 17, 2008, and January 9, 2009, to discuss and develop the suggested technical changes to the December 19, 2007, ALCP Policies and Procedures. A draft version of the suggested changes was disseminated via email to the ALCP Working Group for additional review and comments. Policy language was incorporated to provide guidance on the

reimbursement of High Priority Projects (HPP) with funds in the Arterial Life Cycle Program. Language specifying circumstances when an ALCP Project Agreement between MAG and a Member Agency would require an amendment or termination also was incorporated in the ALCP Policies and Procedures. Refinements regarding policies and procedures to change the scope of an ALCP project or to substitute a new project for an existing ALCP project were made. Under the new provisions, agencies must present justification and information on the proposed changes to the MAG Street Committee for a technical review and recommendation for inclusion in the ALCP. Specific deadlines pertaining to Regional Area Road Fund (RARF) Closeout and the ALCP annual update process were removed from the ALCP Policies and Procedures. Instead, deadlines will be published annually in the MAG Transportation Programming Guidebook. Removing the deadlines from the ALCP Policies and Procedures allowed MAG Staff to be flexible to member agency programming needs. Other technical refinements to the ALCP Policies and Procedures include the addition of Capital Improvement Program disclosures, requiring Signature Cards on an annual basis, and expanding the list of project expenditures ineligible for reimbursement.

5C. Arterial Life Cycle Program Status Report

A Status Report on the Arterial Life Cycle Program (ALCP) was provided for the period between October 2008 and March 2009 and includes an update on ALCP Project work, the remaining FY 2009 ALCP schedule, and ALCP revenues and finances. This item was on the agenda for information and discussion.

5D. Section 5310 Elderly Individuals and Individuals with Disabilities Transportation Program Priority Listing of Applicants

The Management Committee, by consent, recommended forwarding the priority listing of applicants for FTA Elderly and Persons with Disabilities Transportation Program to the Arizona Department of Transportation. The Federal Transit Administration (FTA) provides Section 5310, Elderly Individuals and Individuals with Disabilities Transportation Program funding, to the Arizona Department of Transportation (ADOT). These capital assistance awards support agencies and public bodies that provide transportation services for older adults and for people who have a disability. The Councils of Governments, including MAG, prepare priority listings of applications for ADOT to be used when determining awards. In March 2009, the MAG FTA Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee met three times to receive training on the application process, to interview all applicants, and to develop a priority listing. This year, 13 agencies submitted requests for 23 vans and two mobility management projects. The priority listing reflects 24 requests because the committee determined one of the mobility management projects did not fulfill FTA guidelines. Approximately \$3.9 million is available statewide for funding this year's projects. This funding comprises traditional FTA 5310 formula funds and federal Surface Transportation Program (STP) Flexible Funds. The latter is from additional funding targeted by the State Transportation Board to augment rural-area programs. Applicants within small and large urban planning regions are eligible for STP funding if they can substantiate predominately rural routes or service areas within these regions.

5E. Regional Community Network Reporting Structure

The Management Committee, by consent, recommended approval of the Regional Community Network reporting structure. The Regional Community Network (RCN) is a fiber optic communications network connecting member agency Traffic Management Centers (TMCs) that, when completed, would connect all MAG member agencies for the primary purpose of coordinating traffic control operations between neighboring agencies. The first phase of the project is currently being implemented by Arizona Department of Transportation through an Intelligent Transportation Systems (ITS) project in the FY 2008 MAG Work Program. The network is being created by closing the gaps between agency-owned fiber optic infrastructure. The active electronics will be installed after the fiber optic infrastructure is in place and the first year of network management will be included in that contract. After that time, responsibility for management of the network will revert to MAG. The RCN Working Group, consisting of agencies represented on the ITS Committee and Technology Advisory Group (TAG) is working to identify network management strategies for moving forward. This will be done through a number of documents that will outline the proposed place of the network in the MAG reporting structure, the roles and responsibilities of all involved parties, and recommended policies and procedures for the operation, maintenance and expansion of the network. The document under consideration is a framework for how management of this network might fit into the MAG reporting structure and allow technical decisions on simple service additions and the day-to-day operation of the network to take place in the technical committees following policies established by the Regional Council. This framework is modeled on the MAG 911 Oversight Committee which invests some decision making abilities in a technical committee.

5F. ADOT Red Letter Process

The Regional Council approved the Red Letter Process in 1996 to provide early notification of potential development in planned freeway alignments. Development activities include actions on plans, zoning, and permits. Key elements of the process include: Notifications - ADOT will periodically forward Red Letter notifications to MAG. Notifications will be placed on the consent agenda for information and discussion at the Transportation Review Committee, Management Committee, and Regional Council meetings. If a member wishes to take action on a notification, the item can be removed from the consent agenda for further discussion. The item could then be placed on the agenda of a subsequent meeting for action. Advance acquisitions: ADOT is authorized to proceed with advance right-of-way acquisitions up to \$2 million per year in funded corridors. Any change in the budgets for advance right-of-way acquisitions constitutes a material cost change as well as a change in freeway priorities and therefore, would have to be reviewed by MAG and would require Regional Council action. With the passage of Proposition 400 on November 2, 2004, the Regional Transportation Plan (RTP) includes funding for right-of-way acquisition as part of the funding for individual highway projects. This funding is spread over the four phases of the Plan. Funding for advance acquisitions may be made available on a case-by-case basis. For information, the ADOT Advance Acquisition policy allows the expenditure of funds to obtain right-of-way where needed to address hardship cases (residential only), forestall development (typical Red Letter case), respond to advantageous offers or, with remaining funds, acquire properties in the construction sequence for which right-of-way acquisition has not already been funded. In addition to forestalling development within freeway corridors, ADOT, under the

Red Letter Process, works with developers on projects adjacent to or close to existing and proposed routes that may have a potential impact on drainage, noise mitigation, and/or access. For this purpose, ADOT needs to be informed of all zoning and development activity within one-half mile of any existing and planned facility. Without ADOT input on development plans adjacent to or near existing and planned facilities, there is a potential for increased costs to the local jurisdiction, the region and/or ADOT. ADOT has forwarded a list of notifications from July 1, 2008, to December 31, 2008. Of the 254 notices received, 92 had an impact to the State Highway System. This item was on the agenda for information and discussion.

5G. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment and administrative modification to the FY 2008-2012 MAG Transportation Improvement Program (TIP). The proposed amendment and administrative modification involve several projects, including two FY 2009 paving projects from the City of Phoenix that require cost and scope changes. In addition, it is anticipated that member agency projects for the distribution of the MAG sub-allocated portion of the American Recovery and Reinvestment Act (ARRA) funds may be submitted to MAG by April 3, 2009. As a result, MAG may conduct consultation on a conformity assessment for any projects that are submitted for ARRA funding for a proposed amendment and/or administrative modification to the FY 2008-2012 MAG Transportation Improvement Program. The amendment includes projects that may be categorized as exempt from conformity determinations. The administrative modification includes minor project revisions that do not require a conformity determination. This item was on the agenda for consultation.

5H. Consultant Selection for the MAG Air Quality Technical Assistance On-Call Services Request for Qualifications

The Management Committee, by consent, recommended approval of the following firms for the Air Quality Technical Assistance On-Call Services for an amount not to exceed \$280,000: (1) ENVIRON be qualified in Air Quality Modeling, Air Quality Monitoring and Meteorology, Surveys and Emissions Inventories, Analysis of Control Measures, Implementation and Tracking of Control Measures, Statistical Analysis of Data, Air Quality Plan Preparation, CMAQ Evaluation Methodologies, and Transportation Conformity; (2) Sierra Research be qualified in Air Quality Modeling, Surveys and Emissions Inventories, Analysis of Control Measures, Implementation and Tracking of Control Measures, Statistical Analysis of Data, Air Quality Plan Preparation, CMAQ Evaluation Methodologies, and Transportation Conformity; (3) Sonoma Technology be qualified in Air Quality Modeling, Air Quality Monitoring and Meteorology, Surveys and Emissions Inventories, Analysis of Control Measures, Implementation and Tracking of Control Measures, Statistical Analysis of Data, Remote Sensing, Air Quality Plan Preparation, CMAQ Evaluation Methodologies, and Transportation Conformity; (4) Technical & Business Systems be qualified in Air Quality Modeling, Air Quality Monitoring and Meteorology, Analysis of Control Measures, Statistical Analysis of Data, Remote Sensing, and Air Quality Plan Preparation; and (5) Traffic Research & Analysis be qualified in Surveys and Emissions Inventories. The FY 2009 MAG Unified Planning Work Program and Annual Budget includes potential consultant assistance for air quality planning and modeling activities. Consultant services may be needed to assist MAG with supplemental analyses for the MAG Five Percent Plan

for PM-10, Eight-Hour Ozone Plan, Conformity Analysis, and Evaluation of Congestion Mitigation and Air Quality Improvement (CMAQ) Projects. A request for qualifications was advertised on January 15, 2009 for technical assistance including air quality modeling, conformity, CMAQ evaluation, and the development of regional air quality plans. Eleven proposals were received by the February 17, 2009, deadline. On February 27, 2009, the consensus of the agency staff on the multi-jurisdictional evaluation team was to recommend consultants to MAG to perform the technical assistance.

5I. Discussion and Update on the Draft FY 2010 MAG Unified Planning Work Program and Annual Budget

Each year, the MAG Unified Planning Work Program and Annual Budget is developed incrementally in conjunction with member agency and public input. The Work Program is reviewed each year in April by the federal agencies and approved by the Regional Council in May. Since the budget presentation in March, there have been no significant changes to the draft budget. The Intermodal Planning Group meeting is scheduled for April 17, 2009 and any recommendations from that review, as well as any other significant budget revisions, will be brought to the May Management Committee meeting. This item was on the agenda for information and discussion.

6. Status of Local Sponsored Federal Funded Projects

Eileen Yazzie, MAG Transportation Program Manager, provided an update on the status of local sponsored federal funded projects for FY 2009 and FY 2010 projects. She said that the Transportation Review Committee is starting work on the FY 2009 closeout, and they are looking at projects that will not be able to obligate their federal funds this year. Ms. Yazzie noted that the MAG Federally Funded Projects Status Report, included in the agenda packet, shows 61 federally funded projects, and of these, 22 projects are active and are anticipated to meet the obligation deadline of September 30, 2009. She noted that the report includes only Congestion Mitigation Air Quality and Surface Transportation Program federal funds, not any other type of federal funds.

Ms. Yazzie stated that 35 of the 61 projects are at risk of not being able to obligate this year, and she noted that this is a big concern. She advised that of these 35 projects, 13 are Intelligent Transportation System (ITS) projects. Ms. Yazzie requested members to check with their staff if they have any of the at-risk ITS projects. Ms. Yazzie stated that ITS projects are relatively easy to obligate and encouraged members to start projects with the ADOT Local Governments Section sooner than later. Chair McClendon thanked Ms. Yazzie for her presentation. No questions from the Committee were noted.

7. Update on the American Recovery and Reinvestment Act of 2009: ADOT Portion, MAG Sub-Allocation, and MAG Region Transit Funds

Ms. Yazzie reported on the American Recovery and Reinvestment Act of 2009 (ARRA), which provides funds for highway, transit, MAG sub-allocated, and transportation enhancement projects. She stated that at the March 2009 meeting, the MAG Regional Council approved the necessary Transportation Improvement Program (TIP) project changes for ADOT-led freeway projects and

MAG regional transit projects that are programmed with ARRA funds. Ms. Yazzie stated that the I-10: Verrado Way to Sarival Road construction project was advertised on March 27, and the other four projects will be advertised between now and the end of June 2009.

Ms. Yazzie stated that also at the March meeting, the Regional Council approved amendments and modifications to the MAG TIP to include 15 transit projects. She noted that according to the ARRA legislation, 50 percent of the transit funds, about \$33 million, must be obligated in 180 days.

Ms. Yazzie stated that the ARRA legislation designates three percent of the state highway portion of the ARRA funds for transportation enhancement projects. She advised that the Transportation Enhancement Review Committee recommended that due to the time constraints, using the existing projects and also that the existing transportation enhancement funding be replaced by ARRA money plus an additional 50 percent of the current transportation enhancement funding (up to \$250,000), not to exceed the total project cost. Ms. Yazzie stated that this means that less funding will be required for the local share. She then reviewed the transportation enhancement projects list by saying that 11 of the 23 transportation enhancement projects in the MAG region and total about \$7 million. Ms. Yazzie noted that any amendments or modifications to the MAG TIP will go through the MAG process after the Priority Planning Advisory Committee and the State Transportation Board take action, and she added that this will likely take place in the May/June timeframe.

Ms. Yazzie stated that for the sub-allocated ARRA funds to MAG, the Regional Council approved Scenario #1, Option A, with a minimum agency allocation of \$500,000 plus funding based on population, with a due date of April 3, 2009, to define and submit projects to MAG for ARRA funds. She said that the process will then be followed to conduct any necessary air quality conformity or consultations and to administratively adjust or amend the FY 2008-2012 TIP. Ms. Yazzie noted that projects need to be obligated by November 30, 2009, and funds from projects that did not obligate will be reprogrammed to meet the federal obligation date of March 2, 2010. She expressed her appreciation to member agency staff, and she explained that it is not an easy task to understand not only the legislation, but also the policy implications.

Ms. Yazzie stated that the MAG sub-allocated ARRA funds total \$104,578,340, and as of April 7, 2009, the projects identified in the MAG region total \$101,415,692. She advised that project identification is still underway with five MAG member agencies, the Federal Highway Administration, the Bureau of Indian Affairs, and the Federal Transit Administration.

Ms. Yazzie reviewed some of the projects that have been submitted for the sub-allocation funding, including some Americans with Disability Act projects, pavement rehabilitation and reconstruction projects, bridge projects, intersection and/or capacity improvement projects, ITS projects, pedestrian projects, safety and sign projects, and transit projects.

Ms. Yazzie stated that the next steps include action by the Management Committee, Transportation Policy Committee and Regional Council on amendments and administrative modifications to the MAG TIP and RTP. She noted that a joint meeting of local governments

with ADOT and FHWA is scheduled for April 2009. Chair McClendon thanked Ms. Yazzie for her report. No comments from the Committee were noted.

8. Project Changes – Amendment and Administrative Modification to the FY 2008-2012 MAG Transportation Improvement Program and FY 2009 Arterial Life Cycle Program, Including Funding from the American Recovery and Reinvestment Act of 2009

Ms. Yazzie noted that the Management Committee was requested to take action on the administrative modifications and amendments to the Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update, and the FY 2009 Arterial Life Cycle Program (ALCP) to include projects that previously were approved for funding by the Regional Council. She noted that Table A includes projects that were recommended for approval at the MAG Transportation Review Committee (TRC); Table B explains requests for project changes that were not heard at TRC and were identified since the Management Committee mailout and are not funded with ARRA funds; and Table C identifies projects to be programmed with funds from the American Recovery and Reinvestment Act of 2009. Chair McClendon thanked Ms. Yazzie for her report. No questions by the Committee were noted.

Mr. Crossman moved to recommend approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update as shown in the attached tables. Mr. Fairbanks seconded, and the motion carried unanimously.

9. Proposed Amendment to Add Stage One of the Phoenix Sky Harbor Automated Train System (Sky Train) to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update and Inclusion of Stage Two of the Phoenix Sky Harbor Automated Train System (Sky Train) in the MAG Regional Transportation Plan 2007 Update as an Illustrative Project

Eric Anderson, MAG Transportation Director, reported that this agenda item is a request by the City of Phoenix to amend the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update to include Stage One of the Sky Train project and to add Stage Two to the Regional Transportation Plan (RTP) 2007 Update as an illustrative project. Mr. Anderson noted that Stage Two would need to be added as an illustrative project because funding is not identified and the RTP must be fiscally constrained.

Mr. Anderson described the Sky Train as an automated transit system that will connect the major facilities at Phoenix Sky Harbor International Airport with the METRO light rail system. He said that Stage One would connect light rail station at 44th Street and Washington to Terminal Four and Stage Two is to continue Sky Train to connect to Terminals Two and Three and then to the rental car center.

Mr. Anderson stated that the City of Phoenix is funding Stage One with airport revenue, and for Stage Two the City is going to work with the US Department of Transportation to pursue a loan through the Transportation Infrastructure Financing Innovation Act of 1998 (TIFIA). He explained that TIFIA is a federal government loan program to be used for revenue generating

projects. Mr. Anderson stated that TIFIA loans mainly have been used for toll roads and this might be the first application for airports. He advised that the Sky Train must be the TIP and RTP to be eligible to receive TIFIA funds.

Jane Morris, City of Phoenix Aviation Department, stated that the Sky Train is a fully automated, driverless train system that operates on a separate guideway. She said that due to funding limitations the project was separated into two phases. She displayed a map of Stage One and Stage Two and commented that Stage One has received all of its environmental clearances and is locally funded by airport revenues. Ms. Morris stated that in Stage One the train will run along 44th Street, which formerly was SR-153. She expressed her appreciation to ADOT for the cooperative partnership to have the City of Phoenix take the road over. Ms. Morris described how the train will stop at the east economy lot and then proceed to Terminal Four.

Ms. Morris stated that the train continuing to Terminal Three and Terminal Two is restricted by current funding, and she added that the City of Phoenix is making this request to help complete the system. She stated that the TIFIA program requires that a project be included in the regional plan and the state plan. Ms. Morris stated that using TIFIA funding might advance Stage Two by seven years.

Ms. Morris advised that the environmental work has been completed on Stage One and it is shovel ready. The last phase from Terminal Two to the rental car center is scheduled to be operational in 2020. She said that the complete system will remove more than 100 buses and provide access to light rail at 44th Street. Ms. Morris stated that an average of more than 1,100 people use light rail to go to and from the airport daily, which is about 20 percent higher than expectations. She added the increase in the use of light rail might be attributed to people realizing its convenience.

Ms. Morris displayed a photo of the light rail station at 44th Street and Washington. She noted that a slab is built over Washington Street to allay concerns about construction over light rail, and expressed thanks to METRO for their assistance on this. Ms. Morris stated that the Sky Train station eventually will be an enclosed, air conditioned facility with moving walkway connections. She stated that around the Sky Train station will be a passenger drop-off curb, and they hope to encourage passenger drop-off this way. Ms. Morris stated that there will be another drop-off area for commercial vehicles.

Ms. Morris stated that Sky Harbor Boulevard cannot be expanded, and the Sky Train is needed to respond to regional demands. She said that the station will be designed as a multimodal facility and the City feels the Sky Train will help connections if commuter rail is established. Ms. Morris displayed an animation of the Sky Train route. Chair McClendon thanked Ms. Morris for her report and asked members if they had questions.

Dr. Isom asked if prioritization was a part of adding this project to the plan. Ms. Morris replied that the intent of the City is to add the project to the RTP in order to meet the requirements of applying for the TIFIA loan program. She advised that the City is not seeking prioritization in terms of funding from MAG, but anticipates the project will be funded by airport revenues. Ms. Morris added that the City might also pursue potential stimulus funds.

Mr. Pettit moved to recommend approval of a proposed amendment to add Stage One of the Phoenix Sky Harbor Automated Train System (Sky Train) to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update for the necessary air quality conformity analysis, and to include Stage Two of the Phoenix Sky Harbor Automated Train System (Sky Train) in the MAG Regional Transportation Plan 2007 Update as an illustrative project. Mr. Brady seconded, and the motion carried unanimously.

10. Legislative Update

Nathan Pryor, MAG Senior Policy Planner, provided an update on legislative issues of interest. He reported that on the federal side, the final FY 2009 Omnibus Appropriations Bill was signed by President Obama, and the President's budget framework was released. Mr. Pryor stated that this leads into the reauthorization of SAFETEA-LU, which expires September 30, 2009. He reported that Representative Oberstar, Chair of the House Transportation and Infrastructure Committee, might release his bill in May. Mr. Pryor noted that this is a good opportunity to discuss reauthorization.

Mr. Pryor stated that from October 2008 to January 2009, MAG staff worked with member agencies to compile a list of projects in regard to potential stimulus funds. He said that infrastructure projects totaling \$7.4 billion were received and included wastewater, public housing, and public safety projects. Mr. Pryor advised that only 5.5 percent of the region's needs were covered by the stimulus funds the region actually received.

Mr. Pryor stated that the Congressional Budget Office baseline for the transportation trust fund shows flat growth for the next ten years, and there should not be an expectation of receiving large amounts of stimulus funds. He noted that by 2019, the federal deficit is expected to be 80 percent of the nation's gross daily product, a level that has not been seen since 1948.

Mr. Pryor noted that the White House has been cool to an increase in the federal gas tax or a vehicle miles traveled approach. He displayed a map that showed the amount of gasoline taxes per gallon by state and noted that the US average is 45 cents per gallon, and the Arizona rate is 37.4 cents per gallon. Mr. Pryor said that a gasoline tax increase proposal could be unpopular at this time.

Mr. Pryor explained a draft concept of a federal partnership based on helping those regions who help themselves, and is geared toward large regions that have dedicated local taxes that fund federal or state systems.

Dennis Smith noted that the region's sales tax exceeds the federal funds that are allocated to the region. He noted that a lot of areas receive federal funds but do not contribute with a local tax as does the MAG region.

Mr. Pryor stated that some of the points in the concept that is still under development include federal funds proportionate with regional funding, increased certainty in funding, a streamlined planning process, and reduced bureaucracy.

Mr. Smith commented that it might be in the country's best interests to have other regions follow the MAG model. He said that the USDOT could reduce some of the federal guidelines and could address matching funds. Mr. Smith commented that MAG already demonstrates matching funds with its regional sales tax. He stated that MAG and ADOT could work together to develop a pilot program, and added that he thought the Secretary of Transportation would be able to waive the federal requirements for pilot programs. Mr. Smith stated that the MAG region, which was one of the first to implement its own tax for transportation, might receive some consideration for what it has done. He requested feedback on this.

Mr. Halikowski stated that he has been discussing this idea with Mr. Smith for a long time, and he thought it was a good concept. He indicated that ADOT would like to partner with MAG and pursue this concept. Mr. Halikowski stated that as he has traveled around the state in the past few weeks and has spoken to other local entities and there has been a lot of interest in this. He stated that MAG could count on ADOT's support.

Mr. Pryor stated that the State FY 2010 budget has dominated work at the Legislature; the Senate has not heard bills and the House has largely wrapped up its work. He stated that House Bill 2396, regarding transportation public-private partnerships, has moved through the House. Mr. Pryor indicated that he will continue to monitor this bill. Mr. Pryor noted that MAG staff have given presentations on the stimulus funds to the State Legislature: a presentation by Eric Anderson to the House Transportation and Infrastructure Committee and a presentation by Mr. Anderson and Dennis Smith to the Senate Natural Resources, Infrastructure and Public Debt Committee. Chair McClendon thanked Mr. Pryor for his report and asked members if they had questions.

Mr. Halikowski stated that ADOT has concerns with House Bill 2386 regarding finance issues, in particular exemptions for certain categories on toll roads. He said that ADOT has brought these concerns to the attention of the bill's sponsor, Representative Biggs, Chair of the House Transportation and Infrastructure Committee. Mr. Halikowski said that ADOT staff member John McGee is reviewing this issue and ADOT's concern that with those exemptions, the project might not pencil out. He added that staff will continue discussions with legislators and stakeholders to ensure that if the bill does pass, it is workable.

11. Comments from the Committee

An opportunity will be provided for Management Committee members to present a brief summary of current events. The Management Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Mr. Pearson introduced Gary Neiss who will take over the duties as Carefree Town Administrator on May 1, 2009. He stated that Mr. Neiss has been the Town Planning Director for the past seven years.

Mr. Smith stated that following a request from a committee member for more detail on non-transportation related projects for the stimulus funds, MAG staff has decided to post submissions on the MAG Web site. He requested that ideas be emailed to Nathan Pryor.

Mr. Little requested assistance from other member agencies on information regarding fee structures or regulations regarding right of way for distributed antenna systems, or DAS networks. He indicated that the City of Scottsdale is interested in how other agencies have addressed this, and he also commented on the possibility of a fee structure. Mr. Little stated that rather than a piecemeal approach, it could be beneficial to share information.

There being no further business, the meeting adjourned at 12:55 p.m.

Secretary

Chairman